

MINUTES OF REGULAR MEETING
OF
REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT

STATE OF TEXAS §
 §
COUNTY OF HAYS §

A regular meeting of the Board of Directors of Reunion Ranch Water Control and Improvement District was held at 2:00 p.m. on July 21, 2020 by remote access only in accordance with the March 16, 2020 Order by Governor Abbott temporarily suspending certain requirements of the Texas Open Meetings Act to advance the goal of limiting face-to-face meetings to slow the spread of COVID-19. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act and as modified by the Governor's Order.

1. CALL TO ORDER

The meeting was called to order.

2. ROLL CALL OF DIRECTORS

A roll call of the Directors was taken. The Directors present were:

Dennis Daniel – President
Rick Triplett – Vice President
Thomas J. Rogers, Jr. - Secretary
Nathan Neese – Assistant Secretary
Eileen Grass – Assistant Secretary

thus constituting a quorum. All Directors were present.

Also present at the meeting were Bill Flickinger, Matt McPhail and Jeniffer Concienne with Willatt & Flickinger, PLLC, Dennis Lozano with Murfee Engineering, Allen Douthitt with Bott & Douthitt, Jesse Kennis, Kristi Hester and Ronja Keyes with Inframark, LLC and resident Ron Meyer.

3. PUBLIC COMMENTS

There were no public comments made.

4. MINUTES OF PRIOR MEETINGS

President Dennis Daniel entertained a motion for approval of the Minutes. Motion was made by Rick Triplett and seconded by Nathan Neese to approve the June 16, 2020 meeting Minutes as presented. The motion carried unanimously.

5. RESOLUTION ADOPTING RULES REGARDING PUBLIC'S RIGHT TO ADDRESS THE BOARD OF DIRECTORS OF REUNION RANCH WCID

President Dennis Daniel discussed the District's current rules regarding the public's right to address the Board at a board meeting. Attorney Bill Flickinger indicated those rules were previously adopted per legislation. The rules are reasonable and can be revised at any time. Nathan Neese discussed the possibility of allowing comments to be six minutes instead of three. After further discussion, the rules will remain the same and this item can be removed from future agenda. No action was taken.

6. ENGAGEMENT LETTER SUBMITTED BY MAXWELL LOCKE & RITTER FOR ANNUAL AUDIT FOR FISCAL YEAR 2020

Attorney Bill Flickinger reported that Maxwell Locke & Ritter will conduct the District's annual audit. The fee has been increased by \$500 this year. After discussion, President Dennis Daniel entertained a motion. Motion was made by Nathan Neese and seconded by Tom Rogers to approve the engagement letter submitted by Maxwell Locke & Ritter as presented. The motion carried unanimously.

7. RESOLUTION REGARDING ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND INVESTMENT STRATEGIES

Attorney Bill Flickinger discussed the annual review of the District's investment policy and investment strategies. No changes are recommended at this time. President Dennis Daniel entertained a motion. Motion was made by Tom Rogers and seconded by Eileen Grass to adopt the Resolution Regarding Annual Review of District Investment Policy and Investment Strategies as presented. The motion carried unanimously.

8. DEVELOPER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICE WITHIN THE DISTRICT, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT, STATUS OF DEVELOPMENT LOANS AND ACTIONS OF THIRD PARTIES OPPOSING OR SUPPORTING DEVELOPMENT WITHIN THE DISTRICT

President Dennis Daniel reported that Taylor Morrison is not in attendance, however, the building metrics report is included in the package.

9. APPROVAL OF CONSTRUCTION PLANS AND PAY ESTIMATES, CHANGE ORDERS AND ACCEPTANCES OF COMPLETION WITH RESPECT TO CONSTRUCTION CONTRACTS

This item was not discussed.

10. ADVERTISEMENT FOR BIDS AND APPROVAL, AWARD, RECOMMENDATION AND ADMINISTRATION OF CONSTRUCTION CONTRACTS

This item was not discussed.

11. ENGINEER'S REPORT ON STATUS OF CONSTRUCTION WITHIN THE DISTRICT, DEVELOPMENT ENTITLEMENTS, PROVISION OF WATER, WASTEWATER AND DRAINAGE SERVICES WITHIN THE DISTRICT, SALES OF LOTS TO BUILDERS, HOMEBUILDING WITHIN THE DISTRICT AND PAST, PRESENT AND FUTURE BOND ISSUES

A. PROPOSAL FOR WASTEWATER LINE INSPECTIONS

Engineer Dennis Lozano discussed his report as included in the agenda package.

Mr. Lozano discussed the wastewater flow figures that have been increased due to the COVID pandemic. He reached out to the TCEQ to discuss the flows to see if they would like to see any proactive documentation. Long steady flow until last several months. The usage is up 25% per house, this equates to 115 gpd per house. The District is growing fast as well. Hopefully the flows will return to normal by the end of year.

Mr. Lozano stated that they are still on schedule to advertise for bids on the wastewater treatment plant expansion.

Mr. Lozano discussed the phases of odor control. They are pushing hard to get the temporary equipment mobilized and installed for Phase 1. Phase 1 costs approximately \$10,000. Phase 2 of the odor control will be around \$15,000 for the basin cover. This will include some engineering time and equipment. President Dennis Daniel discussed the design cap for the new plant and if it will be designed for higher flows. Mr. Lozano indicated always being conservative on the design and usage. The average is 92 gpd. They are using 150 gpd for permitting.

President Dennis Daniel asked about the schedule for the temporary odor control measures. Mr. Lozano advised it should take about two weeks. He is checking with the manufacturer and hopefully it will be 10-days from now, but he does not have a firm date. President Daniel asked that an update be provided and posted on the District's website soon after today's meeting. There was discussion of the odor control unit also being used in Phase 2. Mr. Lozano advised it would be. Rick Triplett believes the District should move forward with Phase 2 now. Nathan Neese asked how long will the temporary measures be used until the new plant expansion. Mr. Lozano said about 6 months. After discussion, motion was made by Rick Triplett and seconded by Eileen Grass to authorize the structural design of Phase 2 odor control measures for \$2,500 and authorize the committee to proceed if the plan is ready prior to the next board meeting. The motion carried unanimously. President Daniel asked what measures can be done right now. Mr. Lozano replied that the headworks can be contained with a tarp. There was discussion of trapped gases or the area being confined in a way that it should not be. Maybe the misters can be pointed in that area too. After further discussion, Manager Jesse Kennis and Engineer Dennis Lozano will figure out the best course of action and provide an update to the Board.

12. ALL ACTIONS AND DOCUMENTS NECESSARY OR CONVENIENT, OR BOTH, FOR THE DISTRICT'S 6TH BOND ISSUE

Engineer Dennis Lozano advised that he has not received any further comments from the TCEQ staff on the District's bond application.

13. WASTEWATER TREATMENT PLANT EXPANSION; WASTEWATER TREATMENT PLANT IMPROVEMENTS AND MODIFICATIONS

President Dennis Daniel would like the wastewater treatment plant expansion be completed by May 2021. Engineer Dennis Lozano is confident that the expansion will be completed in 30 months from the start. He is doing everything he can to advance the project. President Daniel reported to the Board that he met with Dennis Lozano and reviewed the expansion plans. The goal is for the District to have a solid plant for many years to come.

14. COMMITTEES – ASSIGNMENT AND MEMBERSHIP

President Dennis Daniel inquired about the rules of establishing committees. Attorney Bill Flickinger advised that the President can appoint committees at will. With that being said, President Daniel would like to appoint the following committees:

1. Trails/Ponds = Eileen Grass, Rick Triplett and six residents
2. PUA Matters = Dennis Daniel and Nathan Neese
3. Property Transfer = Rick Triplett and Dennis Daniel
4. Wastewater Treatment Plant Improvements & Odor Complaints = Rick Triplett and Dennis Daniel

Eileen Grass indicated that she has not seen a pond report from Aquatic Features yet. Manager Jesse Kennis advised that he will make sure she receives a copy.

Mrs. Grass also discussed the fire hazard near Jacksaw Trail. There is a large amount of wood piled up in the area. Neither the HOA nor Taylor Morrison has removed it. Mrs. Grass inquired about the wood being chipped and used for mulch around the District. Mrs. Grass will contact Mike Moyer on this matter.

15. COMMITTEE REPORTS.

- a. Trail/Map/Ownership committee (Trail system within the District; Map of the District/HOA property; conveyances, easements and/or license agreements to the District or HOA from developer)
- b. PUA Rate committee

Attorney Matt McPhail discussed the conversion he had with the HOA's attorney Bob Burton on conveyance of the common areas to the HOA and then the District. Mr. McPhail will continue to work on this matter.

16. MAINTENANCE AGREEMENT BETWEEN REUNION RANCH HOA AND THE DISTRICT FOR MAINTENANCE OF OPEN AREAS AND RIGHTS-OF-WAY

This item was not discussed.

17. OPERATIONS AND MAINTENANCE REPORT

- A. Administrative
- B. Wastewater Treatment Plant; Odor Control Measures and Complaints
- C. Wastewater Grinder Stations
- D. Effluent Irrigation System & Fields
- E. Distribution & Collection System
- F. Billing Adjustments
- G. Delinquencies
- H. Customer Meter Issues
- I. Customer Complaints
- J. Stormwater conveyance and pond maintenance
- K. Landscaping
- L. Notices to residents on water quality
- M. Notice of Violations Issued by TCEQ dated August 5, 2019
- N. Maintenance Items in connection with Pre-Purchase Inspection Letter submitted by TCEQ

Manager Jesse Kennis discussed the Executive Summary with the Board.

The District currently has 463 active connections. 10.15 million gallons of water were consumed in June. The District incurred a 0.1% water loss during this period. In regard to the delinquencies, 11 letters were mailed out. Mr. Kennis advised that there have been no payment plan requests at this time.

Mr. Kennis reported that the TCEQ Region 11 conducted a “no notice” inspection of the wastewater treatment plant in response to odor complaints. The TCEQ found a couple of issues in the irrigation fields, which were being over saturated. The inspector had a question regarding the District’s equipment and requested the inspection reports.

A meter needs to be installed at the sludge box so that it can record the flows.

Mr. Kennis stated that the pond inspection reports will be put in the agenda package going forward for review.

18. EXPENDITURES, CONTRACTS, REPAIRS, REPLACEMENTS AND MAINTENANCE RELATED TO OPERATIONS AND MAINTENANCE REPORT IN ITEM 17 ABOVE

This item was not discussed.

19. EXTENSION OF MORATORIUM ON DISCONNECTIONS OF WATER SERVICE FOR NON-PAYMENT

There are currently two delinquent accounts. President Dennis Daniel reiterated that he would like to continue the moratorium from month to month. After discussion to extend the moratorium month to month, motion was made by President Dennis Daniel and seconded by Rick Triplett to continue the moratorium on disconnections of water service for non-payment until the next board regular board meeting. The motion carried unanimously.

20. COMMUNICATION CHANNELS WITH CUSTOMERS/RESIDENTS

Jeniffer Concienne reported that the website analytics were included in the agenda package. President Dennis Daniel would like for the HOA to post a link to the District's website. Mrs. Concienne will contact Mike Moyer to see if this can be accomplished. There was also discussion regarding updates to the District website and being for interactive with viewers. After discussion, no updates to the website will be done at this time.

21. BOOKKEEPER'S REPORT ON THE FINANCIAL AFFAIRS OF THE DISTRICT, INCLUDING AUTHORIZATION OF PAYMENT OF BILLS

Bookkeeper Allen Douthitt discussed the financials with the Board. Today's consideration will include payment of vendor invoices, per diems, two fund transfers and bond payments. Mr. Douthitt discussed the District's budget in relation to repairs and maintenance. That category is over budget by \$11,000. Manager Jesse Kennis also stated costs incurred from the prior excursion. After discussion, President Dennis Daniel entertained a motion. Motion was made by Nathan Neese and seconded by Tom Rogers to approve payment of the vendor invoices, per diems and authorization of the fund transfers and bond payments as presented. The motion carried unanimously.

22. WEST TRAVIS COUNTY PUA MATTERS

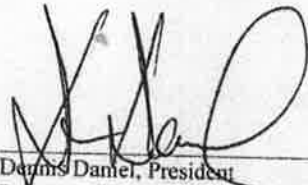
President Dennis Daniel advised that item can be removed from the agenda until there are matters to discuss.

23. RATE ORDER


This item was not discussed.

24. ADJOURN

President Dennis Daniel adjourned the meeting.


Dennis Daniel, President
Reunion Ranch WCID

ATTEST:


~~RIK TRIPLETT~~ Assistant Secretary
Reunion Ranch WCID

[SEAL]